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Silicon Valley's Cyberwarriors

Tech firms rush to cash in on the fight against terrorism

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It's the 21st century version of the Gold Rush.

Since Sept. 11, technology firms in Silicon Valley and elsewhere have sprung into high gear, pitching products to jittery consumers and to government agencies eager to spend billions of dollars on homeland security.

The solutions they bring to the battlefield could be a significant force in the war against terrorism -- as well as in reviving businesses that until recently were floundering in the turbulence of the high-tech collapse and the slumping economy. The products include rock-boring missiles, home kits for anthrax detection and identity cards embedded with a record of a person's unique physical characteristics.

Government officials can't yet say how much of the \$20 billion already allocated for the anti-terror campaign, or the projected \$33 billion increase in the defense budget approved by Congress last week, for the same purpose.

It will be a big chunk. As private investment dries up, corporate executives salivate at the prospect of tapping into this unexpected and bountiful vein of government largesse. And, of course, of helping fight terrorism at the same time.

In anticipation, many companies have set up anti-terrorism divisions or created "national security" teams to pitch their wares around the country. Some have hired top Washington lobbyists, including the blue-blood firm of Akin Gump Strauss Heuer & Feld, to press their case on Capitol Hill.

Less than three weeks after the Sept. 11 attacks, Rep. Mike Honda, D-San Jose, arranged a closed-door meeting with the House Budget Committee and top Silicon Valley executives. The agenda: What high tech could do to make air travel safer.

Honda describes the companies as "cyberwarriors" in the war against terrorism -- a war he hopes will provide "a shot in the arm" to the ailing Bay Area economy.

The Federal Aviation Administration has received an eye-popping rush of 23,000 proposals for new airline security devices.

The stock prices of some firms have soared. On Wednesday, InVision Technologies in the East Bay city of Newark received a \$16.3 million contract from the FAA to supply baggage screening machines designed to detect explosives and other contraband. Its stock shares increased tenfold, from \$3.11 on Sept. 10 to more than \$40 last week.

Cepheid, a small company in Sunnyvale, produces a suitcase-sized portable device for

detecting anthrax and other biological weapons in less than 30 minutes. The device will be used to sweep for anthrax at the Salt Lake City Olympics in February. The firm's stock price jumped from \$1.53 on Sept. 10 to more than \$5 last week.

"We are able to see over the horizon better than government," said Cepheid chairman Tom Gutshall.

One reason for the rush: Technology is being deployed in the anti-terrorism war in greater degree than in any other U.S. military action.

To track down Osama bin Laden, for example, the United States is counting on cave-seeking bombs and heat sensors. The bombs can drill through rock, pierce steel doors and skip over other obstacles to explode in underground caverns. The sensors can detect a whiff of warm air escaping from a cave entrance miles away.

Despite such technological wonders, the Sept. 11 attacks exposed painful gaps in the nation's security shield at home and abroad. The hijackers were able to carry out their plans in part because of the inability or unwillingness of government agencies to share information effectively. The anthrax crisis revealed an appalling lack of preparedness to detect biological weapons and to treat their victims.

Some companies pitch products that nervous consumers can buy directly -- if not on the home shopping channel, by going to a Web site.

For \$24 you can pick up a "suspicious mail biohazard quarantine container" from N-B-C-Warfare.com (N-B-C stands for nuclear, biological and chemical). For less than \$1,000 you can get a complete mail protection package, including "biohazard resistant" coveralls.

For \$395, you can order a "Safesorter," an airtight box with built-in gloves, from Bliss Industries in Fremont. The device "reduces the risk of exposure to airborne hazardous materials" in opening mail.

Silicon Valley giants such as Oracle seek customers with deeper pockets: government agencies. .

Oracle CEO Larry Ellison argues for a national identification system using biometric and other digital data. Security software Oracle has already developed could be the backbone of such a system, company officials say.

Even before Sept. 11, Oracle had helped New York City develop a complete digital map of the city's 320 square miles, including 6,000 miles of underground pipes along with every water and sewage connection. The map was extremely helpful to New York in responding to the World Trade Center disaster.

Oracle is now pitching its "Oracle Spatial" software to local governments interested in their own digital maps, including Los Angeles County.

San Diego-based Titan Corp. is one of a handful of companies that have actually sealed a deal. It will install eight machines to sanitize anthrax-contaminated mail in U.S. postal facilities -- at a cost of \$5 million each.

There are a zillion other companies and products.

PurePulse Technologies in San Diego has developed an extremely bright flash of light that breaks up and kills the DNA of bacteria and viruses.

HNC Software, also in San Diego, makes software to track laundered money and fraud.

Cylink, a Santa Clara-based company, has developed a bar-code system that could help the U.S. Postal Service keep track of mail. It proposes to apply the same technology to airline tickets and boarding passes.

But technology has limitations.

Take, for example, proposals to include "biometric" identifiers -- fingerprints, voice prints, iris scans or facial identification -- into identification cards.

Biometric systems can help prevent unauthorized access to secure areas of airports or other facilities. Or they can prevent someone from getting multiple IDs, such as driver's licenses with different names. The data can screen out known bad guys.

But biometric monitoring would have had a tough time preventing the Sept. 11 attacks because, as we hear from Jim Wayman, director of National Biometric Test Center at San Jose State University, the hijackers weren't known to be terrorist suspects.

"They only became terrorists," he says, "after they boarded the plane."

Reflecting Washington's courtship of technological solutions, President Bush last week activated his Council of Advisors on Science and Technology. Co-chaired by Silicon Valley venture capitalist Floyd Kuamme, the council will advise the president on the anti-terrorism effort.

Tom Ridge, the homeland security czar, brushes off suggestions that companies are simply trying to profiteer from the crisis.

"Look, part of the entrepreneurship spirit is, 'Hey, we make a product, we might make a buck,'" Ridge told the New York Times.

"We look to American creativity to help solve our problems and to help make profit in the process. That's what drives them. That's what really drives the research. That's what pays for the research."

However, there remains the troubling proposition that however much money government spends on technology, it will do little to help us understand the conditions that promote terrorism in the first place. That will take some old-fashioned scholarship -- probably carried out in a distinctly low-tech think tank -- to figure out.

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